

The departmental budget review reconvened on Monday, April 12, 2010, at 1:21 p.m., and proceeded as follows:

(Mr. Bynum was noted excused.)

PERSONNEL DEPARTMENT

Mr. Kaneshiro: We'll have our final department up for today, which is the personnel department. Malcolm, go right ahead.

MALCOLM FERNANDEZ, Director: Good afternoon. Well last year we gave away 11.5 percent of our budget, and then this year, you know, we're really stuck in giving away any much more. So if you look at our budget, the take away really is in the area of our salaries. I think the furlough is built into the salary reduction and our personnel clerk II position, it wasn't fully funded, it was funded at 75 percent. So basically we have the same budget as last year, minus the salary take aways.

Mr. Kaneshiro: Okay, is that your presentation? Again, he doesn't have a handout, just to let you know, committee members. With that, I'll just open it up for questions. Mr. Furfaro, go ahead.

Mr. Furfaro: Yes, good afternoon. Malcolm, thanks for being here. Position number 2107, clerk II, is that the one that's partially funded?

Mr. Fernandez: No, that's the next one down, 2111.

Mr. Furfaro: Oh I see it, okay. And then potential reduction for your department as proposed by the mayor is the 52,070 as it relates to staff furlough.

Mr. Fernandez: That's correct.

Mr. Furfaro: Have you done for us, and we had this come up in civil defense, or who would do this for us when we have an idea of what the percentage for countywide roughly the department costs are for benefits now. As you know, we put a lot of those things in the individual departments now. Is it possible if we made that request along with finance that you folks could do that percentage estimate for us, whether it's...because we've had some as low as 48 percent, some departments. We've had some as high as 57 percent, and it seems, considering everything equal across the board, you know, whether it comes from social security, health fund, retirement investment could be a little bit of a variance, but we should know what the actual benefit line should be for all departments in relationship to their salaries. Is that something if we send a request over you could...

Mr. Fernandez: Generally I would say that finance would be the one to calculate what the benefit calculations are and the percentage.

Mr. Furfaro: Well I would like to get you involved simply because on the civil service side, I don't think there's anybody other than your department that understands that sequence of benefits as well as you folks do, and that is one of our challenges. We need to get an idea about the non-service positions that are actually administrative, but they could be administrative by appointment and so forth and not go through the civil service process. But I would think all benefits, and everybody should be treated equally, so I'm going to make that request, Mr. Chair.

Mr. Kaneshiro: Okay, we'll have a written request sent over.

Mr. Furfaro: We'll send that over. If you could go through that for us...

Mr. Fernandez: Okay.

Mr. Furfaro: ...along with finance, I would appreciate it.

Mr. Kaneshiro: Alright. Any other questions for Malcolm or Mr. Fernandez while he's here from any other committee members? I want to state for the record that Mr. Bynum is excused for this afternoon session. Anything else? Councilmember Kawahara, go ahead.

Ms. Kawahara: I'm looking at the annual report. It says there was a contract awarded to ACUMED(sp?), and is that in here at all or does it come through something else?

Mr. Fernandez: The contract aware to ACUMED(sp?) was...the study was completed already.

Ms. Kawahara: Oh okay, it's completed. And you were able to get your report on what would be medical standards?

Mr. Fernandez: That's correct.

Ms. Kawahara: Okay, and that was just a one-time expense.

Mr. Fernandez: Right.

Ms. Kawahara: Let me ask you about the...it says that in March you decided to go paperless last year, and how's that working out?

Mr. Fernandez: We're still not there yet. There's a...you know, it's a want-to, but it's a...you have a lot of applicants who are not computer literate, and that's the problem.

Ms. Kawahara: Okay, that would be my concern is that you would be reducing your pool of applicants because not everybody has access to computers. So you are kind of in a transition place and you're still keeping up with the paper stuff. Okay. And is that what that NeoGov thing is? Is that part of manual...it's an annual maintenance fee for NeoGov?

Mr. Fernandez: That's correct. NeoGov is a system that we acquired, and in order to keep on going and using the system, we pay that fee.

Ms. Kawahara: Okay, and that's hooked up to the State, or is it just county?

Mr. Fernandez: It's with us...with the county of Kaua'i.

Ms. Kawahara: It's just the county of Kaua'i system...

Mr. Fernandez: County of Kaua'i system, but the State has a similar...they have also contracted out NeoGov.

Ms. Kawahara: Okay. Thank you.

Mr. Kaneshiro: Go ahead Mr. Furfaro.

Mr. Furfaro: Thank you Mr. Kaneshiro. And so as we go down further into these line items, do you use someone as an outside consultant to assist you when we come upon negotiations, labor negotiations? I mean do you use an outside firm?

Mr. Fernandez: Not normally. Usually if we have questions in negotiations, the State as a body, including the counties, would, you know, if they needed a consultant, then we would all go in together.

Mr. Furfaro: I just noticed, because as I look on page 2 of your piece, you have no money in there for air fare, per diem, and so forth. But then when you get away from identifying or isolating the air and transportation costs, you throw into a line item here a bunch of things for \$10,000. It included collective bargaining and the actual negotiations, and that's why I asked if you used outside services. You then have air fare in here, per diem, lodging, auto, and then another line for collective bargaining, and then quarterly contract meetings (I assume in Honolulu), and then a joint labor management agreements (I guess on reviewing the status of things). Why in your department do we not break out travel, including airlines, meals, airport transfers, and so forth? Why do we throw it all into negotiations?

Mr. Fernandez: I don't know. I think maybe you have to ask finance as to why they throw it there.

Mr. Furfaro: In a typical year that we have upcoming negotiations, and I know by...this is the last year of the police and fire labor contracts...

Mr. Fernandez: That's correct.

Mr. Furfaro: And you'll be going over for that.

Mr. Fernandez: That's correct.

Mr. Furfaro: And typically, how many trips is that for Honolulu?

Mr. Fernandez: It varies. I mean I can't say for sure how many trips it'll take; depending on the issues, if we have a whole lot of issues to resolve beyond... First of all, within the jurisdictions themselves, State, counties, and you know, we have to vote and decide which proposals need to go before negotiations. If there are not many, then there are less meetings.

Mr. Furfaro: But it could be as many as a half a dozen.

Mr. Fernandez: Could be, yeah.

Mr. Furfaro: And again, that's just another reason that rather than throw everything lump sum here into collective bargaining negotiations, personally I would like to see travel broken out. I mean even the government rates for airline is, you know, it's 168 bucks roundtrip just to Honolulu for an individual person, and you know, your travel could be as much as 4, \$5,000 in a year that we're doing negotiations. But it's just kind of lump-summed here, and you did say you're not using any contract services, right, for helping with the negotiations? I mean we don't have an employee...a need for a labor employment contractor to participate in the negotiations, right?

Mr. Fernandez: Yep.

Mr. Furfaro: So Mr. Chair, I might send that over and ask if we could break travel out of this line item called collective bargaining negotiations.

Mr. Kaneshiro: We'll send a communication or...question in that regards so it'll be easier for you to break it down. So we'll send it over to you.

Mr. Furfaro: Thank you.

Mr. Kaneshiro: Sure, go ahead.

Ms. Kawahara: I'm not sure this is (inaudible). This special counsel and special projects here that have year-to-date encumbrances (inaudible). I'm just curious that it's zeroed out in this year's budget. (Inaudible)

Mr. Fernandez: It's an ongoing thing where you know, we'd have in there actually special counsel, included training like workplace violence, substance abuse, sexual harassment prevention, and so forth. And special projects included the medical profile that we did with ccumed, and I think some pre-employment questions that we had.

Ms. Kawahara: So it's possible that you would have, again, training that would...

Mr. Fernandez: Well, I mentioned that in our meeting with the administration that I put zero in there, but then I really felt that there was a need to do sexual harassment training, and that you know, we had done at least preliminary talks with the State who would be able to do it most cost effectively for us. But you know, as far as showing any moneys in my budget, I said that there was need, but then it could in finance's budget that that could come out of.

Ms. Kawahara: Okay, so I'm...so if I was to be sure that we were making sure that all county departments were getting sexual harassment training, there would need to be a line somewhere in finance or here, and is 2,880 a good indicator of what that would cost if the State was helping you, or we just paying them to bring...

Mr. Fernandez: I got to defer to Tom, because then we did this the other year with the State, and I think it cost us about three grand. He said under, but just to make sure that we have enough, I would say about three grand it would take to do it.

Ms. Kawahara: Okay, because I do think that's important as a cost saving measure, definitely, for anything that we can avoid by just having people trained on what's okay and what's not okay, especially in that area. So right now it's zero though.

Mr. Fernandez: Right now it's zero.

Mr. Furfaro: I think...if I may add on to that?

Mr. Kaneshiro: Go right ahead.

Mr. Furfaro: I think what first of all Councilwoman Kawahara's question about identifying this line, perhaps this line should be special projects training, and that maybe we should have some kind of a narrative on what we believe we're going to accomplish, you know, workplace violence, sexual harassment, you know, maybe it should be identified there. And I believe this other line, special counsel, that is referencing to legal advice?

Mr. Fernandez: No, projects was actually the medical profile and that kind of thing that we not having this year. Counsel referred to the training portion that we've had in the past.

Mr. Furfaro: And what I'm saying is in the labeling those two lines, to me it's backwards, it's reverse. I think if we need or we find ourselves needing outside legal counsel for something dealing with employment law, that would be a line item, and that special projects really reflects training and it should summarize with some kind of narrative on what our training business plan should be for the year. That is my summation of it and how I think it should be. I mean you should have a business training plan for HR.

Ms. Kawahara: Yeah, because there isn't one, right, yeah?

Mr. Furfaro: Yeah, right now there isn't.

Ms. Kawahara: So yeah, I guess we're asking if there can be a training line, huh, because as a personnel office, you're responsible for all the departments in the county and making sure that they're all being trained or at least have received information on what the statutes are and the laws are and acceptable behavior in the workplace. And does...being able to train them on that should be something that I would think might be important to have a budget for, so I'm just going to say that and keep an eye out in finance to see if it shows up there. Is there something I should look at specifically or talk to Mr. Rezentes about what it would look like if they put a line in finance?

Mr. Fernandez: I think you should talk to Wally on that.

Ms. Kawahara: Okay, because you generally have to go through and everybody signs off that they received this or they received that, right, a policy on this.

Mr. Fernandez: That's correct.

Ms. Kawahara: And that happens and you have to do that regularly. And training is a regular thing also. Is there any fundings or grants that come available for training like for specifically the State statutes and other things?

Mr. Fernandez: No, general in...on training, generally it's been...the training budget has been in the mayor's office, and I think it moved to finance, if I remember correctly.

Ms. Kawahara: Thank you. I'd like to follow up on that with finance to see...

Mr. Kaneshiro: You can get the questions out so we can have Mr. Gary Heu up here to answer some of that. Let me just see if we have more questions for you first before I call Gary up. But Gary, you can take a seat here in the meantime. You have a question Mr. Chair?

Council Chair Asing: Yeah, it's a follow-up of councilmember Kawahara's question about training and your responsibilities. You know, I'm a little hesitant on saying it, but I believe that, you know, your department is not functioning the way I guess most of the larger firms, let's put it that way, function as far as personnel. A lot of the work is really being done by the departments themselves, training, as an example, you know, while I believe, like Councilmember Kawahara that you know, you should kind of be overall, but that's not the way the county functions. Am I correct?

Mr. Fernandez: That's correct; this is why we have DPOs in the departments.

Council Chair Asing: And that's, you know, we need to really clarify that, because that's not the way the county functions as a personnel department. It is just different. For me, I had great difficulty understanding it when I, you know, got into the county system and got used to that's the way it is, but it is an entirely different... You really... What you really have is you have many personnel departments and not one. It's just the way it is. So...and you, again you correct me if I'm wrong, but that's the way I've known it to be for years. I don't agree with it, but that's the way it is. So I think just as long as we all understand that's the way it's designed and is functioning today. Thank you.

Mr. Kaneshiro: You have a question for...

Mr. Furfaro: Yeah, I just... I want to say that within your realm, there should be a certain continuity on oversight of these department personnel offices. I mean there should be some compliance about workforce violence, there should be compliance about sexual harassment, there should be compliance that when a review is done on an appointed employee, the fact of the matter is there is some oversight. If not, we can't get to the point that we're consistent with policies, and I think the chairman has said as much. You know, he doesn't necessarily agree with how it's currently being handled, but he does agree it is different. And then the other departments focus more on the kind of training that they have in their department for their specific role. Planning would have training on smart growth, you know. Public works would have training on safety issues, you know, that are pertinent to their department. But there might three or four overall regulations about fair employment that has to be consistent across the board, and your department is the one that has the oversight. You cannot pass, you know, workforce violence onto just the department head. I mean there has to be a format laid out that everyone, we can be assured, is getting training that meets the minimum requirements at least for the county. And so that's what I'm talking about in there, and I think the chairman agrees that it should be something like that and it should have your department's oversight, and I think we need to get there.

Mr. Fernandez: And I think...point to the fact is that we have done that. And you spoke about the workplace violence, and our department did take the lead on that and we followed up with the training on that.

Mr. Furfaro: Good. I would like, and I'll send that question over there, this money that is here for special projects, I think it should reference specific training that should be in your business plan. Thank you.

Mr. Kaneshiro: Okay, with that, Gary, you wanted to add something?

GARY HEU, Administrative Assistant: For the record, Gary Heu. No, it's just that what Malcolm said is correct that the dollars for training for the general population, the general employee population, is...resides in finance. And so as an example, if there was some sort of... We've been doing some customer service training for the past year, year and a half, again, we provide that training to all of our departments and agencies, and so those...that funding comes out of that pot that's in finance. If we have training such as the type that Malcolm has referenced, that pot of money is also available for that sort of training. We've used that pot of money for general computer education type of classes, so those...again those are types of trainings that are non-specific and...to a department, and are available for a request. So you know, if there are certain compliances types of training that all of our managers need to go to or that is for the general population in terms of employees, those funds can be tapped, and a request simply needs to be made to the finance director to access those funds. So it's not a matter of so much of where the funding resides. If, you know, we work with DPS and certain types of training are identified as critical in a given year, then certainly we can again tap that pot of funding for those purposes.

Mr. Furfaro: Okay, I would like to add to that. But Gary, I want to make sure we understand. Tell me where the money is, and if I need to transfer this 15 grand somewhere else, I'll transfer it, but there is training that is of the utmost importance to all departments that just because the money is out in finance, I don't want to dodge the question as to who's taking the responsibility for it? You know, whose kuleana is it, you know. And to me, that kuleana for that type of important training should come under the jurisdiction of Malcolm, especially...to a degree, right?

Mr. Heu: I mean I don't think there's a disagreement there.

Mr. Furfaro: Okay. And then there needs to be a training business plan. I want to know what he's going to accomplish with that money, you know, sexual harassment, you know, workforce violence, fair treatment with promotions and so forth, even some basic interpretation of the foundation of the supervisor's role in reducing grievances as it comes from understanding the bargaining unit, you know, and that's nowhere here. It's line item in finance and it's nowhere in the narrative or anything, and that's how, today, corporations function. I mean they have a business training plan that people take responsibility for, and I think we need to be there.

Mr. Heu: Yeah, and I think that's a fair request on... Obviously something like that might not be shown in the actual budget submittal, but I think a request to see a training plan is not a unreasonable request, specifically, those types of compliance issues that come under personnel services.

Mr. Furfaro: Thank you.

Mr. Kaneshiro: Any further questions? Lani go ahead.

Ms. Kawahara: I fully agree with Councilmember Furfaro, because that's exactly what I'm thinking of—the whole oversight is something that's very necessary. The fact that this is...this money is nebulous—where it is, where it goes, what it's used for, it concerns me, and I do want to be sure that I see something specific to federal, State, county compliance issues and training issues laid out specifically designated each year, and not something that's in a general pot in finance. Because I've been amazed. I've been...I mean we get...of course it comes to us, the council, when we get lawsuits and things on things that may have been really basic things that we, you know, should have known how to do if we had training. Of course there's always going to be somebody that doesn't listen anyway or understand, but to reduce that would seem fiscally responsible to have this money laid out specific for training purposes, especially for those kinds of compliance things. So in my... I guess I would like to request also that there be a line designated specifically for compliance issue training as relates to personnel issues in...specifically I guess most that come off is workplace violence, fair treatment, and sexual harassment. That's probably a yearly thing, because it's come up this last year, and it's going to come up again this year, so does it seem to you that it's a annual thing that is done?

Mr. Fernandez: Not necessarily annual. Periodically, you know, you may want to do stuff every other year or so rather than doing the same thing with the same people all the time, basically, unless you get new blood coming in.

Ms. Kawahara: Good, okay, because I would be willing to do that and support that. So even if you stagger it so every other year there's this one and every other year there's that one, right. Okay, thank you so much.

Mr. Furfaro: Yeah, even if it went to, you know, two, three years and it was laid out in a business plan that we could look at and say okay, this money is earmarked and here's

the plan, because you know, Councilwoman Kawahara is exactly right, when it gets to the point that it may not have been handled in the best way, it actually ends up in front of this body.

Mr. Kaneshiro: Okay, with that, any further questions for personnel office? We know that the money is there someplace, so that's the good part about this budget process, money is in there, and by your letter, you know, we'll request for more information as to specifically some of the uses of it. Okay with that... If not, thank you very much, Malcolm.

Mr. Fernandez: Thank you.

Mr. Kaneshiro: And this budget review session is recessed 'till tomorrow 9 o'clock.

The Personnel Department departmental budget review concluded at 1:50 p.m., and there being no objections, the budget reviews was in recess.